WWW.COLOMBIAREPORT.ORG

WWW.ANNCOL.COM

WWW.ZMAG.ORG

## WHAT CAN YOU DO?

- Join or start a Comité in your area to inform your community about the situation in Colombia and to mobilize people to protest Plan Colombia.
- •Organize a teach-in. Invite a CNC speaker to it

## <u>Comité for a</u> New Colombia

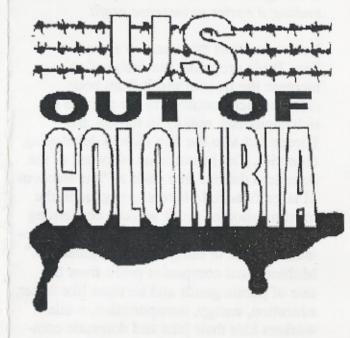
2489 Mission St. San Francisco Ca 94110 (415) 821 6545 cnc\_sf@yahoo.com www.nuevacolombia.org

## Our Points of Unity

- 1.We oppose U.S. intervention in Colombia. We are against the use of the U.S. people's money to fund the political, economic, military, and environmental intervention in Colombia.
- 2.We uphold the right to self determination of the Colombian people as they struggle for peace with economic and social justice.
- We oppose the chemical and biological methods of crop eradication, mainly fumigation.
- 4.We denounce the systematic utilization of paramilitary forces by the U.S. backed Colombian state and call for their immediate dismantling.
- 5.We oppose the attacks on women, indigenous peoples, workers, children, unions, displaced, disappeared, and all the oppressed peoples of Colombia.

END U.S. INTERVENTION IN COLOMBIA!

## FREE TRADE AND COLOMBIA



LET THE COLOMBIAN PEOPLE DECIDE!

Free Trade policies (the same thing as neoliberal economic policies/free market reforms) are a program of economic reforms that include privatizing industries (selling state-owned jails to private management companies), reducing public services (eliminating social security payments), eliminating subsidies (governments stop buying surplus corn, a purchase that enables corn farmers to survive market instability), raising interest rates, and encouraging unregulated markets that benefit foreign capital investment (repealing laws that prohibit foreign control of domestic banks). The intention of these reforms is to unregulate the economies of a country, making it easier to increase profit.

BUT WHAT DOES THAT REALLY MEAN? Free Trade programs are designed to increase the flow of profit from poor, resource-rich countries to the pockets of rich capitalists, mainly in the US and Europe but also the rich elite of developing countries. The Information Network of the Americas defines free trade as "the freedom of large financial players to engage in the maximization of profit without concerning themselves with the annoyances of environmental, labor or human rights regulations." Multinational companies profit from the sale of public goods and services like water, education, energy, transportation, while workers lose their jobs and domestic companies are unable to compete with the influx of imported goods.

The Colombian government began a program of economic reforms in 1990, with

IMF and World Bank input, called apertura (opening). Apertura reduced tariffs, trade barriers and subsidies; privatized public enterprises; simplified customs procedures; eliminated restrictions on foreign investment; and opened financial markets. In 1991 the government enacted a constitutional reform that made it easier for companies to lay off workers, in compliance with structural adjustment requirements.

THE EFFECTS OF THE ECONOMIC LIBERALIZATION HAVE BEEN DISASTROUS:

Colombia now imports 6 million tons of food annually while two million acres of arable land remain unused. Free market reforms remove taxes on products imported into the country making it cheaper to make food in countries like the US and import it into Colombia than for Colombians to produce it themselves. This destroys local agriculture and forces peasants to move to the cities, adding to the cheap labor force available for new foreign industries.

Between 1997 and 2000, the percentage of people living in poverty rose from 50.3% to 60%. Because of free market reforms, industries that privatize layoff thousands of industrial workers in order to increase profitmaking while decreasing the demand for local products.

5,000 small factories closed in 1997 and 1998. 20,000 commercial enterprises in Colombia closed in the same years. Per capita income in Colombia has dropped from \$2,716 in 1997 to \$1,890 in 2002.. When industry declines at this rate, and people are forced out of work, the only 'alternative' economies available to the people of the region are those sectors unregulated by the

government, and thus not open to free trade reforms. These include drug trafficking and production, and to a lesser extent, informal streetvending. None of these alternatives economies provide stable income to large numbers of people.

FREE TRADE AND LATIN AMERICA What has happened, and is happening, in Colombia is happening all over Latin America. Almost all the countries in Latin America have received IMF and World Bank loans and instituted a program of free market reforms. But the US government would like to push that economic liberalization further. It succeeded with NAFTA (North America Free Trade Agreement) which opened up a free trade zone throughout Canada, the US and Mexico and has had negative effects on the economies of all three but mostly Mexico which was the most underdeveloped. The Bush administration is working on a number of similar proposals that would make all of Latin America a gigantic free trade zone; these include CAFTA (Central American Free Trade Agreement), FTAA (Free Trade Area of the Americas), PPP (Plan Puebla-Panamá) and some smaller plans. The effects of these plans would be devastating to the people and environment of Latin America: unemployment would skyrocket, sweatshops run by the US and European companies who are totally unregulated by local governments would be the only opportunities for employment, tolls on highways and access to ports and other forms of transportation would be too high for local people, local agriculture would die away leaving thousands dependent on US agribusiness. Latin America would completely become US economic colony.